

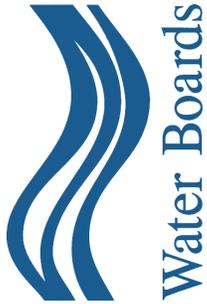


State Water Resources Control Board

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State Water Board Awards More Than \$ 34 Million to Merced for Clean Water Project Award Includes Federal Stimulus Dollars Project estimated to create or retain 30 to 40 jobs.

SACRAMENTO -- The State Water Board has OK'd \$34,957,837 for a wastewater plant upgrade and expansion to protect public health and the environment and create jobs for Californians. The funding includes \$2 million in federal stimulus money. That money is allocated to California for clean water projects under the American Recovery and Reinvestment Act (ARRA).

The money announced today is in the form of a \$2 million grant and a \$32,957,837 ultra-low interest one-percent loan.

"Our goal is to get Recovery Act money into our communities as quickly as possible so we are creating and protecting jobs while also protecting the environment," said Governor Arnold Schwarzenegger. "I am glad the State Water Board is moving quickly and carefully. Sewer projects and watershed restoration may not sound exciting, but they are important for protecting our clean water, will put Californians back to work, and will serve our state for decades in the future."

"The State Water Board identified these shovel-ready projects so we can both get people back to work and protect water quality," said Charlie Hoppin, Chair of the State Water Board. "Even in routine years, we handle more than \$200 million dollars in loans for these important purposes. This year, the need is more urgent and our staff started early to identify potential recipients so that we can distribute the federal money quickly and responsibly. California has a verified need and we have validated applications for more dollars than are currently available. We will put any additional funds to good use quickly and efficiently."

As of this project, the state Water Board has now allocated ARRA funds to 10 projects in nine California communities. The Water Board approved the first Stimulus project the same day that it received money from the U.S. EPA. A total of \$36.7 million ARRA money has now been distributed.

California Water News

The new project that has received funding will provide additional wastewater treatment capacity and replace outdated facilities to ensure adequate treatment to protect water quality in the Merced area.

Under the stimulus program the State Water Board is handling \$270.5 million in addition to more than \$200 million normally loaned by the Clean Water State Revolving Fund (SRF) each year. The stimulus money is available for projects in communities that might not normally be able to qualify for an SRF loan. The stimulus money is being granted or loaned at rates even lower than normally available from the SRF.

The Recovery Act money was made available to the State Water Board by the U.S. EPA. At least 20% of the funds provided under the Recovery Act are to be used for green infrastructure, water and energy efficiency improvements and other environmentally innovative projects.

The State Water Board received the stimulus money on May 21, 2009 and made its first award under the program on the same day. It has been working with local governments and others to make sure their clean water projects were ready to begin work and qualify for stimulus money as quickly as possible.

The State Water Board assists local communities in preventing and cleaning up water pollution. Its financial assistance, through the Clean Water State Revolving Fund, concentrates on wastewater (sewer) projects and treatment plants. The California Department of Public Health (CDPH) regulates drinking water quality and operates the Drinking Water State Revolving Fund which provides low interest loans and grants to public water systems for infrastructure improvements.

For additional information from the City of Merced on its wastewater treatment plant project, contact Mike Conway at conwaym@cityofmerced.org or 209 385-6232

